



A PROGRAM OF THE NEW JERSEY HOUSING AND MORTGAGE FINANCE AGENCY

HOMESSEEKER FAQ

WHAT IS THE NJ HOMESSEEKER DOWN PAYMENT ASSISTANCE PROGRAM?

The New Jersey Housing and Mortgage Finance Agency (NJHMFA) has allotted \$16 million in federal funds for the HomeSeeker Down Payment Assistance ("DPA") program which provides a \$16,000 incentive to qualified homebuyers to purchase a primary residence in target areas in New Jersey.

HOW DOES IT BENEFIT ME?

Applicants who meet the eligibility criteria for the HomeSeeker DPA program will be eligible to receive \$16,000 in down payment and closing cost assistance towards the purchase of a primary residence in one of six (6) counties: Atlantic, Camden, Essex, Gloucester, Passaic and Union ("Target Areas").

WHAT ARE THE ELIGIBILITY REQUIREMENTS FOR THE HOMESSEEKER DPA PROGRAM?

To be eligible, borrowers must meet the following eligibility requirements:

- Borrower(s) must purchase and occupy a residential home in a target area.
- Borrower(s) must qualify and meet all requirements for a NJHMFA first mortgage loan originated through a participating lender.
- Borrower(s) must be a first-time homebuyer. A first-time homebuyer is defined as someone who has not had an ownership interest in their primary residence during the previous three (3) years. Veterans are exempt from the three (3) year ownership rule and are granted a Veteran's Exception.
- Borrower(s) must meet the minimum FICO score and debt-to-income (DTI) rules as listed in the Policy and Procedures for Participating Lenders (Seller's Guide).
- Borrower cannot have been convicted of a mortgage related felony in the past ten years.
- Borrower(s) must not exceed 140% of the Area Median Income. Income is based on the total household income.
The maximum limits are as follows in the individual counties:
Atlantic, Camden & Gloucester - \$127,680;
Essex & Union - \$131,880; Passaic - \$135,100
- Borrower's purchase price must not exceed the maximum purchase price limit in all counties of \$437,349 for existing one family dwellings or \$559,854 for existing two to four family dwellings.
- Borrower(s) may not possess enough liquid assets to close a mortgage loan at less than 80% LTV.

WHAT TYPE OF PROPERTY CAN BE PURCHASED?

The property must be a single-family home, condominium, townhome, manufactured or mobile home which is permanently affixed to real property owned by the Borrower, or a two to four family dwelling unit of which one unit is to be occupied by the Borrower as his or her principal residence. The property must also be an existing residential dwelling. New construction is not permitted.

HOW DO I APPLY FOR THE PROGRAM?

To apply for the HomeSeeker DPA program please contact a participating NJHMFA lender. The list of participating lenders can be found online at www.theroadhomenj.com.

IS THIS A MORTGAGE?

This program will provide a forgivable subordinate mortgage. This means that as long as the applicant abides by the terms of the HomeSeeker DPA program, including maintaining the home as their primary place of residence for a five (5) year period, the assistance will be forgiven. There are no monthly payments on this mortgage.

CAN I USE ANY BANK OR FINANCE COMPANY FOR MY MORTGAGE?

Only NJHMFA's participating lenders can be used to obtain a mortgage for this program. The list of participating lenders can be found online at www.theroadhomenj.com

CAN I USE HOMESSEEKER DPA TO PURCHASE A HOUSE LOCATED IN A COUNTY OTHER THAN THE TARGET AREAS?

No. Atlantic, Camden, Essex, Gloucester, Passaic and Union are the only counties designated as HomeSeeker Target Areas. If you wish to purchase a house outside of the Target Areas, you may qualify for the NJHMFA Smart Start program. Learn more about your options at www.theroadhomenj.com

HOW WERE THE TARGET AREAS CHOSEN?

NJHMFA evaluated all 21 New Jersey counties and identified the six (6) target areas based on seriously delinquent mortgage loans, negative equity, short sales, REO sales, foreclosures and Single Family loan originations.

IS HOUSING COUNSELING A CONDITION OF THE HOMESSEEKER PROGRAM?

All Borrowers must receive housing counseling through a HUD approved housing counseling agency. Housing counseling is required prior to loan closing and it is the Borrower's responsibility to provide a Homebuyer Education Certificate as proof of counseling to their lender. This certificate is required to be included in the loan closing package. To find a HUD approved counseling agency visit HUD.gov, enter "NJ Housing Counselors" in the search box and you will be directed to the list. HUD counseling agencies may charge reasonable and customary fees to provide homebuyer education. All counseling fees are the responsibility of the Borrower.

FOR MORE INFORMATION ON THE HOMESSEEKER PROGRAM, VISIT US ONLINE AT WWW.THEROADHOMENJ.COM



NEW JERSEY HOUSING
AND MORTGAGE
FINANCE AGENCY
WWW.NJHOUSING.GOV